

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number S/045/0069 Mine Name 5 Mile Shale Mine
Operator Interpace Holdings Date Sent August 8 2011
TO _____ FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded
NOTICE OF FILE CLOSURE AND RELEASE OF RECLAMATION
SURETY 2011-08082011

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
BOND FILE 2011-08082011

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
BOND FILE 2011-08082011

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Interpace Holding LLCPermit Number: S/045/0069Mine Name: 5 Mile ShalePhone Number: 801-782-7933

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☒ Increase
☒ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☒ Escalation
☐ Partial Release of surety
☒ Other Explain: LOC# _____ in the amt of \$20,700 was replaced with surety bond# _____ in the amt of \$14,555.07. Operator provided surety rider increasing the amt from \$14,555.07 to \$25,100.

Surety Dollar Amount Associated With This Action: \$25,100.00Surety Aggregate Amount: \$25,100.00**Included in this modification (surety must be attached)**

Instrument(s):

<input checked="" type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other Explain:

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Authorized Officer Signature

Printed

Title

Date

John R. Baza
Division Director
Utah Division of Oil, Gas and Mining

Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Interpace Holdings, LLCPermit Number: S/045/069Mine Name: 5 Mile ShalePhone Number: (801) 782-7933

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☐ Increase
☒ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☒ Other

Explain: Operator's name was listed as Interpace Industries, Inc. The operator is Interpace Holdings, LLC. LOC is correct, it shows Interpace Holdings, LLC.

Surety Dollar Amount Associated With This Action: _____

Surety Aggregate Amount: _____

Included in this modification (surety must be attached)

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain: _____

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Aaron Hancock Aaron Hancock COO
Authorized Officer Signature Printed Title

John R. Baza
Division Director John R. Baza
Utah Division of Oil, Gas and Mining

2/17/09
Date
3/5/09
Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Interpace Industries, Inc.Permit Number: S/045/069Mine Name: 5 Mile ShalePhone Number: (801) 782-7933

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☐ Increase
☒ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☒ Other
Explain: replacement LOC

Surety Dollar Amount Associated With This Action: \$20,700.00Surety Aggregate Amount: \$20,700.00**Included in this modification (surety must be attached)**

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input checked="" type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input checked="" type="checkbox"/> Other

Explain: Replacement LOC from Merrill Lynch Bank

Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below

Authorized Officer Signature

Printed

Title

Date

John R. Baza
Division Director John R. Baza
Utah Division of Oil, Gas and Mining

Date

7/14/08
7/18/08

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

---ooOoo---

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Interpace Industries, Inc.** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **S/045/069** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree:

1. Operator agrees to promptly reclaim in accordance with the Act and applicable regulations, as they may be affected by the mining operations conducted or to be conducted under the Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling

RECEIVED

FEB 18 2009

DIV. OF OIL, GAS & MINING

☒ APPROVED

ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
 - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
 - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
 - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
 - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation

obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Interpace Industries, Inc.

Operator Name

By Charles C. Tabaracci

Authorized Officer (Typed or Printed)

V.P. Finance

Authorized Officer - Position

[Signature]

Officer's Signature

9/17/07

Date

STATE OF Weber)

COUNTY OF Utah) ss:

On the 17th day of September, 2007, Charles Tabaracci personally appeared before me, who being by me duly sworn did say that he/she is an officer (owner, officer, director, partner, agent or other (specify)) of the Operator Interpace Industries, Inc. and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Brett W Travis

Notary Public

Residing at 736 W. Harrisville Rd

1/8/08

My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

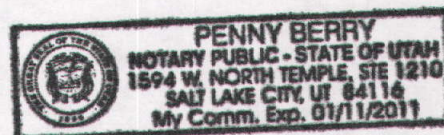
12/10/07
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 10 day of December, 2007, John R. Baza
personally appeared before me, who being duly sworn did say that he, the said
John R. Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.

Penny Berry
Notary Public
Residing at: Salt Lake

1/11/2011
My Commission Expires:



FACT SHEET

Commodity: 5 mile Shale

Mine Name: 5 mile Shale

Permit Number: 50450069

County: Tooele

Disturbed Acres: 0

Operator Name: Interpace Holdings LLC

Operator address: 736 West Harrisville Rd. Ogden UT 84404

Operator telephone: 801 725 8364

Operator fax: 801 781 2890

Operator email: fandrews@Interpacebrick.com

Contact: Frank Andrews

Surety Type: Bond

Held by (Bank/BLM): Southwest Marine and General Insurance

Surety Amount: \$ 25,100.00

Surety Account Number:

Escalation Year: 2015

Tax ID or Social Security (for cash only):

Surface owner: SITLA

Mineral owner: ~~Interpace Holdings LLC~~ SITLA

UTU number:

Acres: 5

RECEIVED

JUL 28 2010

DIV. OF OIL, GAS & MINING

FACT SHEET

Commodity: Clay

Mine Name: 5 Mile Shale

Permit Number: S/045/069

County: Tooele

Disturbed Acres: 5 (five)

Operator Name: Interpace Industries, Inc.

Operator address: 736 W HARRISVILLE RD PO BOX 12118 OGDEN UT 84412

Operator telephone: (801) 782-7933

Operator fax: (801) 782-5047

Operator email: adawg@interpacebrick.com

Contact: Todd Sebring

Surety Type: LOC

Held by (Bank/BLM): JP Morgan Chase Bank - *merrill Lynch*

Surety Amount: \$20,700

Surety Account Number: [REDACTED]

Escalation Year: 2010

Tax ID or Social Security (for cash only): n/a

Surface owner: SITLA

Mineral owner: SITLA

50450069

Leslie Heppler - Re: Request for Bond Release - 5 Mile Shale

From: John Blake
To: Leslie Heppler
Date: 7/27/2011 7:21 AM
Subject: Re: Request for Bond Release - 5 Mile Shale

Leslie,

Re: Interpace Industries Clay Lease ML 50307; Five-Mile Shale Area

The Trust Lands Administration concurs with release of the reclamation bond for the above listed project.
Thank you.

John T. Blake
Deputy Assistant Director/Minerals
Trust Lands Administration

>>> Leslie Heppler 7/26/2011 4:11 PM >>>
John -

Interpace has requested full bond release for SMO in Tooele county in the 5 Mile Shale area. My draft inspection is attached (with pictures), both the proposed road and site B were not disturbed and Site A had less than 1 acre of disturbance for small backhoe trenching, when it was a explration permit. The bond is in the form of a LOC.

Please send your concurrence via email. If you have any questions please call me at 801-538-5257

thx-lah

Leslie Heppler
Utah Division of Oil, Gas & Mining
(801) 538-5257 (Mon thru Thur)
lhopper@utah.gov

RECEIVED E-Mail

JUL 27 2011

Div. of Oil, Gas & Mining

GENERAL PURPOSE RIDER

To be attached to and form part of Bond Number _____ effective May 4, 2010
issued by the Southwest Marine and General Insurance Company
in the amount of _____ DOLLARS,
on behalf of Interpace Holdings, LLC
as Principal and in favor of State of Utah - Division of Oil, Gas and Mining
as Obligatee:

Now, Therefore, it is agreed that: THIS RIDER WILL CHANGE AND AMEND THE BOND
PENALTY AS FOLLOWS:

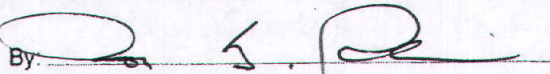
Current Bond Amount: \$14,555.07
New Bond Amount: \$25,100.00

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

This rider is to be effective the 4th day of May, 2010

Signed, sealed and dated this 21st day of May, 2010

Interpace Holdings, LLC (Principal)

By: 

Southwest Marine and General Insurance Company

By: 
James L. Smith

Attorney-in-Fact

Accepted By:

State of Utah - Division of Oil, Gas and Mining

SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY

919 Third Avenue
10th Floor
New York, New York 10022

GENERAL POWER OF ATTORNEY

Know all men by these presents, that the SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY has made, constituted and appointed, and by these presents does make, constitute and appoint Brook T. Smith, James T. Smith, Deborah S. Neichter and Sandra F. Harper, all of Louisville, Kentucky, EACH as its true and lawful attorney for it and its name, place and stead to execute on behalf of the said company, as surety, bonds, undertakings and contracts of suretyship to be given to all obligees provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount of the sum of \$2,000,000 (Two Million Dollars).

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted pursuant to due authorization of the Board of Directors of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY on the 19th day of December, 2006:

RESOLVED, that the Chairman and Chief Executive Officer or any Vice President of the Company be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY bonds, undertakings and all contracts of suretyship; and, that any Secretary or any Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future, with respect to any bond undertaking or contract of suretyship to which it is attached.

In Witness Whereof, SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY has caused its official seal to be hereto affixed, and these presents to be signed by its Vice President and attested by its Secretary this 5th day of December, 2008.

Attest:

SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY

By:

Thomas J. Iacopelli, Vice President

By:

Paul J. Hart, Secretary

STATE OF NEW YORK

SS:

COUNTY OF NEW YORK

On this 5th day of December, 2008, before me personally came Thomas J. Iacopelli to me known, who being by me duly sworn, did depose and say that he resides in the Westchester County, State of New York, at 75 Taxter Road, Irvington, New York 10533, that he is the Vice President of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed and that he signed his name thereto pursuant to due authorization.

STATE OF NEW YORK

SS:

COUNTY OF NEW YORK

JEAN M. GUARNERI
Notary Public, State of New York
No. 01GU606639
Qualified in Richmond County
Commission Expires November 19, 2019

Notary Public, State of New York
Qualified in Richmond County
Commission Expires 2009

I, the undersigned, the Secretary of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY, an Arizona Corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and, furthermore, that the Resolution of the Executive Committee of the Board of Directors set forth in the Power of Attorney is now in force.

Signed and sealed at the City of New York, Dated the 21st day of May, 2010.

Paul J. Hart, Secretary

May 24, 2006

Bond Number :
Surety NAIC No. 12294
Permit Number M 045 069
Mine Name 5 Mile Shale

ATTACHMENT A
To
RECLAMATION CONTRACT
BETWEEN PRINCIPAL AND DIVISION

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE UTAH MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Interpace Holdings, LLC, as Principal,
a Limited Liability Company organized under the laws of the State of Utah and
Southwest Marine and General Insurance Company, as Surety, a Corporation
organized under the laws of the State of Arizona, hereby jointly and severally bind ourselves,
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of
Utah, Division of Oil, Gas and Mining ("Division") and _____
(other agency, if any) in the penal sum of Fourteen Thousand Five Hundred Fifty-Five and 07/100
dollars (\$ 14,555.07).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be
affected by mining operations as identified in the Notice of Intention received, or approved if
applicable, by the Division on the 4th day of May, 20 10.

The lands that are covered by this Surety Bond are the Lands Affected by mining
operations as defined and described in the above Notice, and the Mining and
Reclamation Plan if required, subject to terms and conditions of the Reclamation
Contract.

The condition of this obligation is that if the Division determines that Principal has
satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or
Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

Page 3
MR-SUR
Attachment A
(revised May 24, 2006)

Bond Number _____
Surety NAIC No. 12294
Permit Number M 045 069
Mine Name 5 Mile Shale

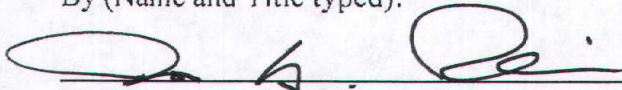
IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Interpace Holdings, LLC

Principal (Permittee)

Jon B. Rhine President

By (Name and Title typed):


Signature

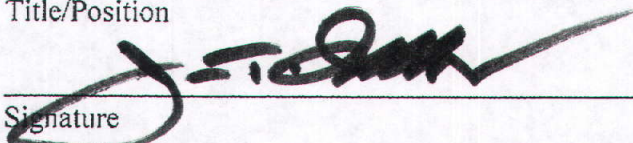
5/12/10
Date

Surety Company

Southwest Marine and General Insurance Company
Surety Company Name

James T. Smith
Surety Company Officer

Attorney-In-Fact
Title/Position


Signature

2307 River Road, Suite 200
Street Address

Louisville, KY 40206
City, State, Zip

502-636-9191
Phone Number

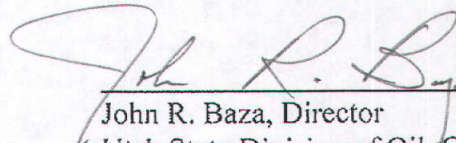
May 4, 2010
Date

Page 4
MR-SUR
Attachment A
(revised May 24, 2006)

Bond Number _____
Surety NAIC No. 12294
Permit Number M 045 069
Mine Name 5 Mile Shale

SO AGREED this 23rd day of June, 20 10.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:



John R. Baza, Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION

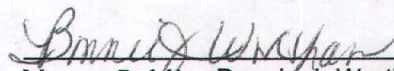
On the 4th day of May, 20 10, James T. Smith
personally appeared before me, who being by me duly sworn did say that he/she, the said
_____ is the Attorney-In-Fact of
James T. Smith and duly acknowledged that said instrument was signed on behalf
of said company by authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said company executed the same, and that
he/~~she~~ is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized
to execute the same and has complied in all respects with the laws of Utah in reference to becoming
sole surety upon bonds, undertaking and obligations.

Signed: 
Surety Officer James T. Smith

Title: Attorney-In-Fact

STATE OF Kentucky)
) ss:
COUNTY OF Jefferson)

Subscribed and sworn to before me this 4th day of May, 20 10.


Notary Public Bonnie J. Wortham
Residing at: Louisville, Kentucky

My Commission Expires:

October 27, 20 11.

SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY

919 Third Avenue
10th Floor
New York, New York 10022

GENERAL POWER OF ATTORNEY

Know all men by these presents, that the SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY has made, constituted and appointed, and by these presents does make, constitute and appoint Brook T. Smith, James T. Smith, Deborah S. Neichter and Sandra F. Harper, all of Louisville, Kentucky, EACH as its true and lawful attorney for it and its name, place and stead to execute on behalf of the said company, as surety, bonds, undertakings and contracts of suretyship to be given to all obligees provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount of the sum of \$2,000,000 (Two Million Dollars).

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted pursuant to due authorization of the Board of Directors of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY on the 19th day of December, 2006:

RESOLVED, that the Chairman and Chief Executive Officer or any Vice President of the Company be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY bonds, undertakings and all contracts of suretyship; and, that any Secretary or any Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future, with respect to any bond undertaking or contract of suretyship to which it is attached.

In Witness Whereof, SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY has caused its official seal to be hereto affixed, and these presents to be signed by its Vice President and attested by its Secretary this 5th day of December, 2008.

Attest:

SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY

By:

Thomas J. Iacopelli, Vice President

By:

Paul J. Hart, Secretary

STATE OF NEW YORK

SS:

COUNTY OF NEW YORK

On this 5th day of December, 2008, before me personally came Thomas J. Iacopelli, to me known, who being by me duly sworn, did depose and say that he resides in the Westchester County, State of New York, at 75 Taxter Road, Irvington, New York 10533, that he is the Vice President of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed and that he signed his name thereto pursuant to due authorization.

STATE OF NEW YORK

SS:

COUNTY OF NEW YORK

JEAN M. GUARNERI
Notary Public, State of New York
No. 01GU6066639
Qualified in Richmond County
Commission Expires November 19, 2019

Notary Public, State of New York
Qualified in Richmond County
Commission Expires 2009

I, the undersigned, the Secretary of SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY, an Arizona Corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and, furthermore, that the Resolution of the Executive Committee of the Board of Directors set forth in the Power of Attorney is now in force.

Signed and sealed at the City of New York, Dated the 4th day of May, 2010.

Paul J. Hart, Secretary



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 6, 2009

CERTIFIED RETURN RECEIPT
7003 2260 0002 0247 8669

Jon Rhine
Interpace Holdings, LLC
736 West Harrisville Road
Ogden, Utah 84404

Subject: Surety Release Check Enclosed, Interpace Industries, 5 Mile Shale, E/045/0150, Tooele County, Utah

Dear Mr. Rhine:

Please find enclosed with this letter a check in the amount of \$6,144.93, which represents the \$5,700.00 reclamation bond plus interest for the referenced project. This check is for a *full* release of the surety for the 5 Mile Shale exploration project. There is now a small mine permit in place at the same location. It should be noted that the 5 Mile Shale Small Mine NOI is due for escalation in 2010.

This Notice of Intention to Conduct Exploration will now be closed and the file retired.

Thank you for your cooperation.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:lah:pb

Enclosure: Surety refund check #61-890947761

P:\GROUPS\MINERALS\WP\M045-Tooele\E0450150-FiveMileShale\final\RETIRE-10042009.doc

Account Number:

Account Name: UST - OGM - Interpace Industries Inc.

Tran #: 15972158

Admin Name: Raylyn Daniel - UST 801-844-8523

Date: 09/24/2009

This check constitutes payment of the following:

Escrow Disbursements
final release of acct #

Paid For:

Amount: **\$6,144.93**

Payee:

Interpace Industries Inc.
c/o Utah State treasurer
350 N State Street Ste 180
PO Box 142315
Salt Lake City UT 84114-2315

460143293201 099155 NEW 07/07 8710033238

HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

OFFICIAL CHECK

HOLD DOCUMENT UP TO THE LIGHT TO VIEW TRUE WATERMARK

61- 890947761

23-97/1020

Zions First National Bank
Salt Lake City, Utah
801-844-7089

UST - OGM - Interpace Industries Inc.

Trust Account

9/24/2009

\$6,144.93*

Six Thousand One Hundred Forty Four Dollars & 93/100

Pay to the Order Of:

Interpace Industries Inc.
c/o Utah State treasurer
350 N State Street Ste 180
PO Box 142315

Issued by Integrated Payment Systems Inc., Englewood, Colorado
JPMorgan Chase Bank, N.A. Salt Lake City UT 84114-2315



Security
Features
Details on
Back



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 14, 2010

Merrill Lynch Bank USA
201 South Main Street, Suite 200
Salt Lake City, Utah 84111

Subject: Authorization for Full Release of Reclamation Surety, Letter of Credit, Interpace Holdings LLC, 5 Mile Shale Mine, S/045/0069, Tooele County, Utah

Dear Sir or Madame:

Merrill Lynch Bank, USA, is presently holding letter of credit # [redacted] for the benefit of the State of Utah, Division of Oil, Gas and Mining, as a reclamation surety for the 5 Mile Shale Mine project. Interpace Holdings LLC has replaced the LOC with a surety bond for the mine, so **this letter authorizes full release of the LOC.**

Please find enclosed the original LOC. If you have any questions or concerns, please contact me at 801-538-5261. Thank you for your help in this matter.

Sincerely,

Paul B. Baker
Minerals Program Manager

JRB:lah:pb

Enclosure: Original LOC

cc: Interpace Holdings LLC – Jon Rhine

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\final\ocr-3551-07122010.doc



Penny Berry - S0450069 5 Mile Shale

From: Penny Berry
To: Frank Andrews
Date: 7/12/2010 12:29 PM
Subject: S0450069 5 Mile Shale

Hi Frank,

I found out that SITLA does not need to be named on the surety bond. The rider I currently have changing the amount from \$14,555.07 to \$25,100.00 is sufficient. A hard copy of the surety bond and rider are in the mail. I apologize for any inconvenience this might have caused you. If you have any questions please call 801-538-5291 or email. Thank you.

Penny



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 19, 2010

CERTIFIED RETURN RECEIPT

7099 3400 0016 8894 6338

Jon Rhine
Interpace Holdings LLC
736 West Harrisville Road
Ogden, Utah 84404

Subject: Five-Year Escalation of Reclamation Surety, Interpace Holdings LLC, 5 Mile Shale Mine, S/045/0069, Tooele County, Utah

Dear Mr. Rhine:

The Division of Oil, Gas and Mining recently received two surety bonds, one for \$5700.00 and one for \$14,555.07, and they are both designated for permit number "M/045/0069." This permit number corresponds with the 5 Mile Shale project, but the correct permit number is S/045/0069.

The Division currently holds a letter of credit from Merrill Lynch in the amount of \$20,700.00 as a reclamation surety for this site.

The reclamation surety for this mine is due for adjustment in 2010, and the new required amount is \$25,100.00 which was calculated as follows:

Small Mine Operation Bond Calculation Worksheet S/045/0069			
5-year escalation (2015)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$7,500.00	\$7,500.00
Add'l Acres Disturbance	4	\$4,400.00	\$17,600.00
TOTAL			\$25,100.00

The amount listed, \$25,100.00, assumes no increases in the disturbed area or changes in operations since the surety was originally calculated and submitted.

There are several options for how this adjustment can be made, among which are submitting an entirely new surety or amending the existing letter of credit to the new amount.

Please provide the updated surety no later than July 06, 2010.

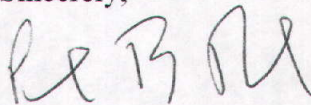


Jon Rhine
Page 2 of 2
S/045/0069
May 19, 2010

To increase the surety amount, please contact the Division's bonding coordinator, Penny Berry, at (801) 538-5291 or by e mail at bondcoordinator@utah.gov for further information or to obtain the current bonding forms.

Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact me at (801) 538-5261.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P B Baker', written in a cursive style.

Paul B. Baker
Minerals Program Manager

PBB:lah:pb

cc: jblake@utah.gov

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\final\Escalate-05192010.doc



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 10, 2010

Jon Rhine
Interpace Holdings, LLC
736 West Harrisville Road
Ogden, Utah 84404-2694

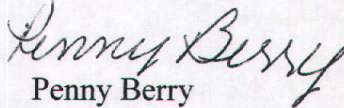
Subject: Copy of the Modification of Attachment A to the Reclamation Contract, Interpace Holdings, LLC, 5 Mile Shale Mine, S/045/0069, Tooele County, Utah

Dear Mr. Rhine:

On July 27, 2010 the Division received the signed Modification of Attachment A to the Reclamation Contract (MA-RC) from Interpace Holdings, LLC. Our Director signed the MA-RC on August 10, 2010. Enclosed is a copy for your records.

If you have any questions please call 801-538-5291 or email bondcoordinator@utah.gov. Thank you.

Sincerely,


Penny Berry
Bond Coordinator

PB





GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 19, 2010

Jon Rhine
Interpace Holdings, LLC
736 West Harrisville Road
Ogden, Utah 84404-2694

Subject: Modification of Attachment A to the Reclamation Contract and Fact Sheet, Interpace Holdings, LLC, 5 Mile Shale, S0450069, Tooele County, Utah

Dear Mr. Rhine:

On June 14, 2010 the Division received your surety bond #SB100149 in the amount of \$14,555.07. On June 22, 2010 the Division received surety rider increasing the amount from \$14,555.07 to \$25,100.00. This is to replace the LOC held by Merrill Lynch and for the surety escalation.

Please sign the Modification of Attachment A to the Reclamation Contract and complete the Fact Sheet.

Please return these documents to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email bondcoordinator@utah.gov. Thank you for your attention in this matter.

Sincerely,

Penny Berry
Bond Coordinator
Minerals Program

PB

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\bond\LtrReqMA-RC07192010.doc

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Interpace Holding LLCPermit Number: S/045/0069Mine Name: 5 Mile ShalePhone Number: 801-782-7933

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☒ Increase
☒ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☒ Escalation
☐ Partial Release of surety

☒ Other Explain: LOC# _____ n the amt of \$20,700 was
replaced with surety bond# _____ n the amt of \$14,555.07.
Operator provided surety rider increasing the amt from \$14,555.07
to \$25,100.

Surety Dollar Amount Associated With This Action: \$25,100.00Surety Aggregate Amount: \$25,100.00**Included in this modification (surety must be attached)**

Instrument(s):

<input checked="" type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other Explain:

Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below

Authorized Officer Signature

Printed

Title

Date

Division Director John R. Baza
Utah Division of Oil, Gas and Mining

Date



RECEIVED

JUN 18 2008

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]
PAGE 1

DIV. OF OIL, GAS & MINING

BENEFICIARY:

UTAH DIVISION OF OIL, GAS
AND MINING
1594 WEST NORTH TEMPLE, SUITE 1210
P.O. BOX 145801
SALT LAKE CITY, UT 84116

APPLICANT:

INTERPACE HOLDINGS, LLC
736 WEST HARRISVILLE ROAD
OGDEN, UT 84404

LETTER OF CREDIT NO: [REDACTED]
ISSUE DATE: JUNE 17, 2008
EXPIRATION DATE: APRIL 30, 2009
EXPIRATION PLACE: AT OUR COUNTERS

AMOUNT: 20,700.00 USD TWENTY THOUSAND SEVEN HUNDRED 00/100 U.S.
DOLLARS

GENTLEMEN AND LADIES:

1. MERRILL LYNCH BANK USA ("BANK"), OF SALT LAKE CITY, UTAH, HEREBY ESTABLISHES THIS IRREVOCABLE LETTER OF CREDIT (THE "LETTER OF CREDIT") IN FAVOR OF THE UTAH DIVISION OF OIL, GAS AND MINING ("DIVISION") FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$20,700.00 IN UNITED STATES DOLLARS ("FACE AMOUNT") EFFECTIVE IMMEDIATELY.

2. THIS LETTER OF CREDIT WILL EXPIRE UPON THE FIRST EVENT SET FORTH AS FOLLOWS: (A) 4:00 O'CLOCK P.M. (SALT LAKE CITY TIME) ON APRIL 30, 2009 OR (B) THE DATE UPON WHICH SUFFICIENT DOCUMENTS ARE EXECUTED BY THE DIVISION TO RELEASE INTERPACE INDUSTRIES, INC. ("OPERATOR") FROM FURTHER LIABILITY FOR 5 MILE SHALE MINING OPERATION UNDER SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION LEASE NO. ML 50307-OBA, WITH NOTICE TO BANK BY THE DIVISION ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT WITH DIRECTIONS FOR CANCELLATION.

3. THIS LETTER OF CREDIT WILL BE AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR SUCCESSIVE PERIODS OF ONE YEAR FROM THE CURRENT OR ANY FUTURE EXPIRATION DATE UNLESS THE BANK GIVES NOTICE TO THE DIVISION AT LEAST 90 DAYS PRIOR TO THE EXPIRATION DATE THAT THE BANK ELECTS NOT TO RENEW THE LETTER OF CREDIT.

4. FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE AGAINST THE DIVISION'S SIGHT DRAFT, IN THE FORM OF EXHIBIT A ATTACHED HERETO, SPECIFYING LETTER OF CREDIT NO. [REDACTED] DELIVERED TO THE OFFICE



IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]
PAGE 2

OF THE BANK, MERRILL LYNCH BANK USA, LETTER OF CREDIT DEPARTMENT, 201 SOUTH MAIN ST., SUITE 200, SALT LAKE CITY, UTAH 84111. AT THE DIVISION'S SOLE ELECTION, THE DIVISION MAY PRESENT SIGHT DRAFTS FOR LESS THAN THE FACE AMOUNT SO LONG AS THE AGGREGATE AMOUNT OF ALL SIGHT DRAFTS DOES NOT EXCEED THE FACE AMOUNT. EACH DRAFT MUST BE ACCOMPANIED BY A CERTIFICATE IN THE FORM OF EXHIBIT B ATTACHED HERETO, PURPORTEDLY SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE DIVISION.

5. IF THE BANK RECEIVES THE DIVISION'S COMPLYING SIGHT DRAFT(S) AND CERTIFICATE(S) AS PROVIDED IN PARAGRAPH NO. 4 ABOVE ON OR BEFORE THE EXPIRATION OR TERMINATION DATE OF THIS LETTER OF CREDIT, THE BANK WILL MAKE SUCH AMOUNT AS THE DIVISION MAY SPECIFY, WITHIN THE LIMITS OF THE SECOND SENTENCE OF PARAGRAPH NO. 4 OF THIS LETTER OF CREDIT, AVAILABLE TO THE DIVISION NO LATER THAN THE CLOSE OF BUSINESS, SALT LAKE CITY TIME, ON THE SECOND BUSINESS DAY FOLLOWING THE BANK'S RECEIPT OF THE SIGHT DRAFT AND CERTIFICATE AND IN SUCH A MANNER AS THE DIVISION MAY SPECIFY.

6. THE BANK WILL GIVE PROMPT NOTICE TO THE OPERATOR AND TO THE DIVISION DIRECTOR OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING THE INSOLVENCY OR BANKRUPTCY OF THE BANK, OR ALLEGING ANY VIOLATIONS OF REGULATORY REQUIREMENTS WHICH COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE TO DO BUSINESS.

7. THE LETTER OF CREDIT WILL BE GOVERNED BY THE LAWS OF THE STATE OF UTAH AND SHALL BE SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 2007 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600, AS THE SAME MAY BE AMENDED AND IN EFFECT FROM TIME TO TIME ("UCP"). IN THE EVENT OF A CONFLICT BETWEEN UTAH LAW AND THE UCP, UTAH LAW SHALL GOVERN.

8. ALL COMMUNICATIONS REGARDING THIS LETTER OF CREDIT WILL BE ADDRESSED TO MERRILL LYNCH BANK USA, LETTER OF CREDIT DEPARTMENT, 201 SOUTH MAIN ST., SUITE 200, SALT LAKE CITY, UTAH 84111, REFERENCING LETTER OF CREDIT NO. [REDACTED];.

9. IN THE EVENT THE BANK GIVES NOTICE TO THE DIVISION THAT THE EXPIRATION DATE OF THIS LETTER OF CREDIT WILL NOT BE EXTENDED, THE DIVISION MAY, UNTIL THE CURRENT EXPIRATION DATE OF THE LETTER OF CREDIT, DRAW UNDER THE LETTER OF CREDIT AGAINST ITS SIGHT DRAFT(S) IN ACCORDANCE WITH THE PROVISION OF PARAGRAPH 4.

MERRILL LYNCH BANK USA

BY:

Marylee Bingham

TITLE: VICE PRESIDENT



IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]
PAGE 3

EXHIBIT A
SIGHT DRAFT
TO
LETTER OF CREDIT NUMBER [REDACTED]

DATE _____ CITY, COUNTY _____ L/C NO. _____

PAY TO THE ORDER OF: UTAH DIVISION OF OIL, GAS AND MINING,
_____ DOLLARS

TO:
MERRILL LYNCH BANK USA
LETTER OF CREDIT DEPT.
201 SOUTH MAIN ST., SUITE 200
SALT LAKE CITY, UT 84111

UTAH DIVISION OF OIL, GAS AND MINING

BY: _____
AUTHORIZED SIGNATURE

DATE: _____



IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED]
PAGE 4

EXHIBIT B
TO
LETTER OF CREDIT NUMBER [REDACTED]

I, _____ A DULY AUTHORIZED
REPRESENTATIVE OF THE UTAH DIVISION OF OIL, GAS AND MINING,
HEREBY CERTIFY THAT (1) THE DRAWING IN THE AMOUNT OF
\$ _____, BY SIGHT DRAFT ACCOMPANYING THIS CERTIFICATE,
UNDER LETTER OF CREDIT NO. _____ DATED JUNE 17, 2008 ISSUED BY
YOU IS PERMITTED UNDER THE PROVISION OF THE LETTER OF CREDIT,
(2) THE LETTER OF CREDIT HAS NEITHER EXPIRED NOR TERMINATED
PURSUANT TO ITS TERMS, (3) THE AMOUNT OF THE SIGHT DRAFT,
TOGETHER WITH ANY AMOUNTS PREVIOUSLY DRAWN UNDER THE LETTER OF
CREDIT, DOES NOT EXCEED THE FACE AMOUNT, AND (4) THE UTAH BOARD
OF OIL, GAS AND MINING, AFTER NOTICE AND HEARING, HAS ENTERED AN
ORDER WHICH HAS NOT BEEN STAYED, ORDERING FORFEITURE OF LETTER OF
CREDIT NO. _____ IN ACCORDANCE WITH APPLICABLE LAW. PROCEEDS OF
THIS DRAWING WILL BE UTILIZED IN FULL TO PAY THE EXPENSES
RELATING TO THE RECLAMATION LIABILITY, TOGETHER WITH THE COSTS OF
COLLECTION, INCLUDING ATTORNEYS FEES, FOR 5 MILE SHALE MINING
OPERATION UNDER SCHOOL AND INSTITUTIONAL TRUST LANDS
ADMINISTRATION LEASE NO. ML 50307-OBA.

UTAH DIVISION OF OIL, GAS AND MINING

BY: _____
AUTHORIZED SIGNATURE

DATE: _____

Penny Berry - Surety Bonds

From: Penny Berry
To: franka@interpacebrick.com
Date: 6/3/2010 4:01 PM
Subject: Surety Bonds

Hi Frank,

It's been since May, when I last spoke with you. The Division received the surety bonds with Limited Liability Company and there was an error on the 5 Mile Shale. It was agreed that you would provide a new surety with the correct amount and as of today, I haven't received the new surety bond. Can you update me? If you have any questions please call 801-538-5291 or email. Thank you.

Penny



May 14, 2010

Penny Berry
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84116

Dear Ms. Berry,

I am sending to you the original bonds for mine permits

E0490052	Fox Clay	\$ 5,000
E0450147	Vernon Shale	\$ 5,700
E0450150	5 Mile Shale	\$ 5,700
M0490006	Clinton Clay	\$ 424,000
M0430014	Henefer Red Clay	\$ 63,300
S0450069	5 Mile Shale	\$ 14,555.07

If everything is in order, would you please release the secondary line of credit which is with Bank of America. The address for Bank of America is:

Bank of America, N.A.
201 South Main Street, Suite 200
Salt Lake City, UT 84111
801-526-6829

If you have any questions concerning the paperwork needed to release the LOC, please call Al Potaczek at Bank of America. His phone number is 312-499-3289.

I appreciate your help with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Frank Andrews'.

Frank Andrews
Plant Manager
Interpace Holdings, LLC
801-781-2872 work
801-725-8364 cell
franka@interpacebrick.com

RECEIVED

MAY 17 2010

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 11, 2009

Jon Rhine
Interpace Holdings, LLC
736 West Harrisville Road
Ogden, Utah 84404-2694

Subject: Modification of Attachment A to the Reclamation Contract and Fact Sheet, Interpace Holdings, LLC, 5 Mile Shale Mine, S0450069, Tooele County, Utah

Dear Mr. Rhine:

On January 29, 2009 the Division received your letter asking to update the name of the operator from Interpace Industries, Inc. to Interpace Holdings, LLC.

Please sign the Modification of Attachment A to the Reclamation Contract.

Please return these documents to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email bondcoordinator@utah.gov. Thank you for your attention in this matter.

Sincerely,

Penny Berry
Bond Coordinator
Minerals Program

PB

Enclosure: MA-RC

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\bond\LtrReqMA-RC02112009.doc



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Interpace Holdings, LLCPermit Number: S/045/069Mine Name: 5 Mile ShalePhone Number: (801) 782-7933

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☐ Increase
☒ Replacement

Reason: ☐ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☒ Other

Explain: Operator's name was listed as Interpace Industries, Inc. The operator is Interpace Holdings, LLC. LOC is correct, it shows Interpace Holdings, LLC.

Surety Dollar Amount Associated With This Action: _____

Surety Aggregate Amount: _____

Included in this modification (surety must be attached)

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain:

**Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below**

Authorized Officer Signature

Printed

Title

Date

Division Director John R. Baza
Utah Division of Oil, Gas and Mining

Date



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 21, 2009

Jon Rhine
Interpace Industries, Inc.
736 West Harrisville Road
Ogden, Utah 84412

Subject: Return of Letter of Credit # [REDACTED], Interpace Industries, Inc., 5 Mile Shale Mine, S0450069, Tooele County, Utah

Dear Mr. Sebring:

Enclosed please find original Letter of Credit # [REDACTED] issued by JP Morgan Chase Bank in the amount of \$20,700. A surety bond for \$20,700 is currently being held with Merrill Lynch Bank; therefore the Division is releasing Letter of Credit # [REDACTED]. This bond adjustment does not constitute bond release.

If you have any questions, please feel free to call me at (801) 538-5291.

Sincerely,

Penny Berry
Bond Coordinator

an

Enclosure

cc: JP Morgan Chase Bank
SITLA
Penny Berry, DOGM

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\final\0038.doc





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 17, 2008

Todd Sebring
Interpace Industries, Inc.
736 West Harrisville Road
~~P.O. Box 12118~~
Ogden, Utah 84412 84404-2694

Subject: Return of Letter of Credit # [REDACTED] Interpace Industries, Inc., 5 Mile Shale Mine, S0450069, Tooele County, Utah

Dear Mr. Sebring:

Enclosed please find original Letter of Credit # [REDACTED] issued by JP Morgan Chase Bank in the amount of \$20,700. A surety bond for \$20,700 is currently being held with Merrill Lynch Bank; therefore the Division is releasing Letter of Credit # [REDACTED]. This bond adjustment does not constitute bond release.

If you have any questions, please feel free to call me at (801) 538-5291.

Sincerely,

Penny Berry
Bond Coordinator

an
Enclosure

cc: JP Morgan Chase Bank
SITLA
Penny Berry, DOGM

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\final\0038.doc





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 17, 2008

Todd Sebring
Interpace Industries, Inc.
736 West Harrisville Road
P.O. Box 12118
Ogden, Utah 84412

Subject: Return of Letter of Credit # [REDACTED] Interpace Industries, Inc., 5 Mile Shale Mine, S0450069, Tooele County, Utah

Dear Mr. Sebring:

Enclosed please find original Letter of Credit # [REDACTED] issued by JP Morgan Chase Bank in the amount of \$20,700. A surety bond for \$20,700 is currently being held with Merrill Lynch Bank; therefore the Division is releasing Letter of Credit # [REDACTED]. This bond adjustment does not constitute bond release.

If you have any questions, please feel free to call me at (801) 538-5291.

Sincerely,

Penny Berry
Bond Coordinator

an

Enclosure

cc: JP Morgan Chase Bank
SITLA
Penny Berry, DOGM

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\final\0038.doc



From: Aaron Hancock <ahancock@interpacebrick.com>
To: "JedPearson@utah.gov" <JedPearson@utah.gov>
Date: 7/31/2008 2:08:15 PM
Subject: Interpace Industries Letters of Credit

Jed,
Merrill Lynch has sent replacement letters of credit for the following mines

Fox Clay E/049/052 \$5,000
Vernon Shale E/045/147 \$5,700
Five Mile Shale S/045/0069 \$20,700

Have you received the LOC's? When can we expect DOGM to release the old LOC's?

Thanks,

Aaron Hancock
Plant Manager
Interpace Brick
801-781-2872

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

OCT 5, 2007

OUR L/C NO.:

AMENDMENT NO.: 1

TO:
STATE OF UTAH
UTAH DIVISION OF OIL, GAS AND
MINING (DOGM),
1594 WEST NORTH TEMPLE, SUITE 1210
SALT LAKE CITY, UT 84116

APPLICANT:
INTERPACE INDUSTRIES, INC.
736 WEST HARRISVILLE ROAD
OGDEN, UT 84494

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED, THE ABOVE REFERENCED STANDBY
LETTER OF CREDIT HAS BEEN AMENDED AS FOLLOWS:

RECEIVER'S REFERENCE: NONREF

APPLICANT'S NAME AND ADDRESS ARE CHANGED TO
INTERPACE INDUSTRIES, INC.
736 WEST HARRISVILLE ROAD
OGDEN, UT 84494

ALL OTHER TERMS AND CONDITIONS OF THE CREDIT REMAIN UNCHANGED.


AUTHORIZED SIGNATURE

☒ APPROVED

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007

OUR L/C NO.: [REDACTED]

LETTER OF CREDIT NO.: [REDACTED]
ISSUE DATE: SEPTEMBER 7, 2007

ISSUING BANK:
JPMORGAN CHASE BANK, N.A.
300 SOUTH RIVERSIDE PLAZA, MAIL CODE IL1-0236
ATTN: STANDBY LETTER OF CREDIT UNIT
CHICAGO, IL 60606-0236
TELEPHONE: 1-800-634-1969, OPTION #1

BENEFICIARY:
STATE OF UTAH
UTAH DIVISION OF OIL, GAS AND MINING (DOGM)
1594 WEST NORTH TEMPLE, SUITE 1210
SALT LAKE CITY, UTAH 84116

RE: INTERPACE HOLDINGS, LLC - 5 MILE SHALE, SCHOOL AND INSTITUTIONAL TRUST
LANDS ADMINISTRATION LEASE NO. ML 50307-OBA

GENTLEMEN AND LADIES:

1. JPMORGAN CHASE BANK, N.A. ("BANK"), OF CHICAGO, ILLINOIS, HEREBY ESTABLISHES THIS IRREVOCABLE LETTER OF CREDIT (THE "LETTER OF CREDIT") IN FAVOR OF THE UTAH DIVISION OF OIL, GAS AND MINING ("DIVISION") FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$20,700.00 IN UNITED STATES DOLLARS ("FACE AMOUNT") EFFECTIVE IMMEDIATELY; ON BEHALF OF INTERPACE HOLDINGS, LLC. ("OPERATOR") FOR 5 MILE SHALE MINING OPERATION UNDER SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION LEASE NO. ML 50307-OBA.

2. THIS LETTER OF CREDIT WILL EXPIRE THE DATE UPON THE FIRST EVENT SET FORTH AS FOLLOWS: (A) 5:00 O'CLOCK P.M. (CENTRAL STANDARD TIME) ON APRIL 30, 2008 OR (B) THE DATE UPON WHICH SUFFICIENT DOCUMENTS ARE EXECUTED BY THE DIVISION TO RELEASE INTERPACE HOLDINGS, LLC ["OPERATOR"] FROM FURTHER LIABILITY FOR RECLAMATION OF THE 5 MILE SHALE MINING OPERATION UNDER SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION LEASE NO. ML 50307-OBA WITH NOTICE TO BANK BY THE DIVISION ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT WITH DIRECTIONS FOR TERMINATION.

Superseded

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007

OUR L/C NO.:

3. THIS LETTER OF CREDIT ISSUED ON SEPTEMBER 7, 2007 WILL BE AUTOMATICALLY EXTENDED FOR SUCCESSIVE PERIODS OF ONE (1) YEAR FROM THE CURRENT OR ANY FUTURE EXPIRATION DATE UNLESS AT LEAST NINETY (90) DAYS PRIOR TO THE ISSUANCE DATE OF THE FOLLOWING YEAR, THE BANK GIVES NOTICE TO THE DIVISION BY ANY COURIER SERVICE OR BY REGISTERED UNITED STATES MAIL 'RETURN RECEIPT REQUESTED' THAT THE BANK ELECTS NOT TO RENEW THE LETTER OF CREDIT.

4. FUNDS UNDER THE LETTER OF CREDIT ARE AVAILABLE AGAINST THE DIVISION'S SIGHT DRAFT, IN THE FORM OF EXHIBIT A, SPECIFYING LETTER OF CREDIT NO. DELIVERED TO THE OFFICE OF THE BANK, JPMORGAN CHASE BANK, N.A., 300 SOUTH RIVERSIDE PLAZA, MAIL CODE IL1-0236, AND ATTN: STANDBY LETTER OF CREDIT UNIT, CHICAGO, IL 60606-0236. AT THE DIVISION'S SOLE ELECTION, THE DIVISION MAY PRESENT SIGHT DRAFTS FOR LESS THAN THE FACE AMOUNT SO LONG AS THE AGGREGATE AMOUNT OF ALL SIGHT DRAFTS DOES NOT EXCEED THE FACE AMOUNT. EACH DRAFT MUST BE ACCOMPANIED BY A CERTIFICATE IN THE FORM OF EXHIBIT B, SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE DIVISION.

5. IF THE BANK RECEIVES THE DIVISION'S SIGHT DRAFT(S) AND CERTIFICATE(S) AS PROVIDED IN PARAGRAPH NO. 4 ABOVE ON OR BEFORE THE TERMINATION OF THIS LETTER OF CREDIT, THE BANK WILL MAKE SUCH AMOUNT AS THE DIVISION MAY SPECIFY, WITHIN THE LIMITS OF THE SECOND SENTENCE OF PARAGRAPH NO. 4 OF THIS LETTER OF CREDIT, AVAILABLE TO THE DIVISION NO LATER THAN THE CLOSE OF BUSINESS, CENTRAL STANDARD TIME, ON THE SECOND BUSINESS DAY FOLLOWING THE BANK'S RECEIPT OF THE SIGHT DRAFT AND CERTIFICATE AND IN SUCH A MANNER AS THE DIVISION MAY SPECIFY. "BUSINESS DAY" MEANS ANY DAY THAT IS NOT A SATURDAY, SUNDAY OR OTHER DAY ON WHICH COMMERCIAL BANKS IN THE STATE OF NEW YORK ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE, AND A DAY ON WHICH THE NEW YORK STOCK EXCHANGE IS OPEN.

6. THE BANK WILL GIVE PROMPT NOTICE TO THE OPERATOR AND TO THE DIVISION DIRECTOR OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING THE INSOLVENCY OR BANKRUPTCY OF THE BANK, OR ALLEGING ANY VIOLATIONS OF REGULATORY REQUIREMENTS, WHICH COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE TO DO BUSINESS.

7. THE LETTER OF CREDIT WILL BE GOVERNED BY THE LAWS OF THE STATE OF UTAH AND SHALL BE SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY

Superseded

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007

OUR L/C NO.: [REDACTED]

CREDIT, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500, AS THE SAME MAY BE AMENDED AND IN EFFECT FROM TIME TO TIME ("UCP"). IN THE EVENT OF A CONFLICT BETWEEN UTAH LAW AND THE UCP, UTAH LAW SHALL GOVERN.

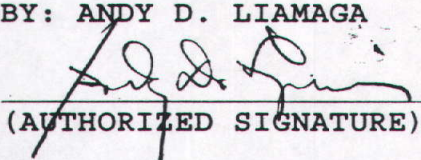
8. ALL COMMUNICATIONS REGARDING THIS LETTER OF CREDIT WILL BE ADDRESSED TO THE BANK 300 SOUTH RIVERSIDE PLAZA, MAIL CODE IL1-0236, CHICAGO, IL 60606-0236, ATTN: STANDBY LETTER OF CREDIT UNIT, PHONE NO. 1-800-634-1969, OPTION # 1 REFERENCING LETTER OF CREDIT NO. [REDACTED]

9. IN THE EVENT THE BANK GIVES NOTICE TO THE DIVISION THAT THE EXPIRATION DATE OF THE LETTER OF CREDIT WILL NOT BE EXTENDED, THE DIVISION MAY, UNTIL THE CURRENT EXPIRATION DATE OF THE LETTER OF CREDIT, DRAW UNDER THE LETTER OF CREDIT AGAINST ITS SIGHT DRAFT(S) IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH 4.

VERY TRULY YOURS,

JPMORGAN CHASE BANK, N.A.

BY: ANDY D. LIAMAGA


(AUTHORIZED SIGNATURE)

TITLE: ASST. VICE PRESIDENT

Superseded

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007

OUR L/C NO.:

EXHIBIT A - SIGHT DRAFT
TO
LETTER OF CREDIT NUMBER

DATE

CITY, COUNTY

LETTER OF CREDIT NO.

PAY TO THE ORDER OF: UTAH DIVISION OF OIL, GAS AND MINING,

DOLLARS

TO:

JPMORGAN CHASE BANK, N.A.
300 SOUTH RIVERSIDE PLAZA
MAIL CODE IL1-0236
CHICAGO, IL 60606-0236

ATTN: STANDBY LETTER OF CREDIT UNIT

UTAH DIVISION OF OIL, GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
SALT LAKE CITY, UTAH 84116

BY:

AUTHORIZED SIGNATURE

Superseded

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007

OUR L/C NO.: [REDACTED]

EXHIBIT B
TO
LETTER OF CREDIT NUMBER [REDACTED]

TO:
JPMORGAN CHASE BANK, N.A.
300 SOUTH RIVERSIDE PLAZA
MAIL CODE IL1-0236
CHICAGO, IL 60606-0236

ATTN: STANDBY LETTER OF CREDIT UNIT

I, _____ A DULY AUTHORIZED
REPRESENTATIVE OF THE UTAH DIVISION OF OIL, GAS AND MINING, HEREBY CERTIFY
THAT (1) THE DRAWING IN THE AMOUNT OF \$ _____, BY SIGHT DRAFT ACCOMPANYING
THIS CERTIFICATE, UNDER LETTER OF CREDIT NO. [REDACTED] DATED SEPTEMBER
7, 2007 ISSUED BY YOU IS PERMITTED UNDER THE PROVISION OF THE LETTER OF
CREDIT, (2) THE LETTER OF CREDIT HAS NEITHER EXPIRED NOR TERMINATED
PURSUANT TO ITS TERMS, (3) THE AMOUNT OF THE SIGHT DRAFT, TOGETHER WITH
ANY AMOUNTS PREVIOUSLY DRAWN UNDER THE LETTER OF CREDIT, DOES NOT EXCEED
THE FACE AMOUNT, AND (4) THE AMOUNT TO BE DRAWN IS NECESSARY TO ASSURE OR
COMPLETE RECLAMATION OF THE _____ (NAME OF MINE), NUMBER _____
(DOGM ISSUED PERMIT NUMBER) IN ACCORDANCE WITH APPLICABLE LAW.

THE UTAH DIVISION OF OIL, GAS AND MINING

BY: _____
AUTHORIZED SIGNATURE

Superseded

JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

SEP 7, 2007
OUR L/C NO. : [REDACTED]

THE UTAH DIVISION OF OIL, GAS AND MINING
DATE _____

Superseded

Prep for Mailing Tasks

Project Name: Smile Skate

Department: Minerals

Product/Process: Preparation for Mailing

510451069

TASK MANAGEMENT

Focus Area	Low ----- High					Number of Copies	Original in Bond Folder	Original to Operator
	1	2	3	4	5			
MRRC								
Addendum					X			
Surety								
Surety Addendum								
Memo								
Letter								
Superceded MRRC								
Superceded Surety								
Map								
Mail to addressee	yes	no	-	-	-			
CC:	yes	no	Doc:			Address:		

736 W. Harrisville RD
PO BOX 12118
Ogden, UT 84412

ADDITIONAL ADDRESSEE OR CC:

Surety and Reclamation Task Sheet

DATE COMPLETED:

Permit ID Number:

Date: 7-2-08

510451069

Action	Action required	Initial	Information/notes
copy for bond folder			
copy for PIC room			
Copy for Lead			
file in pending	X		
file in permanent			
request bond folder			
approved			
scenario A or B			
check for signed original signature pages			
calendar entry			
enter in Excel			
check Excel and change if necessary			
Foxpro COMMENT entry	X		replacement LOC received
Foxpro Field entry BOND AMT	X		
Foxpro Field entry BOND TYPE	X		
MAIL TO			BANK OPERATOR OTHER
prepare cash receipt for Vicky B.			
prepare for JRB approval			
create MRRC			small mine large mine exploration

Worksheet Purpose

This worksheet establishes an outline for bonding associates to follow when processing paperwork.

see back side of this sheet

John Bryman?

Interpale Industries

• Cancel letter credits

(801) 621-7268

needs letter saying no longer
holding and original LOC

(800) 341-6860

Bruce Shepard

LOC #

\$20,000



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 31, 2008

Jon Rhine
Interpace Industries, Inc.
736 W. Harrisville Rd.
Ogden, Utah 84412

Subject: Modification Reclamation Contract, Interpace Industries, Inc., 5 Mile Shale Mine, S/045/0069, Tooele County, Utah

Dear Mr. Rhine:

The Division has received the modification of the reclamation surety, in the amount of \$20,700.00 for the 5 Mile Shale Mine, located in Tooele County, Utah. We have made the replacement on the Reclamation Contract.

The reclamation surety will need to be reviewed if you decide to amend or revise your mining and reclamation plan. Please contact me at (801) 538-5320 or Leslie Heppler at (801) 538-5257 if you have any additional questions. Thank you.

Sincerely,

Dana Dean, P. E.
Associate Director – Mining

DD:lah:eb

Attachment: Copy updated surety

cc:

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450069-5MileShale\draft\apvl-mod rc1_07-23-08.doc



0001